

GMP

Equalise

Convert

Simplify

- 3 month turnaround from agreeing method and receipt of data
- Specialist team with in-depth subject knowledge and data transformation expertise
- Consultancy advice to agree the most beneficial approach for your scheme
- Helping you take advantage of wider opportunities presented by the Lloyd's judgement
- Standalone exercise that does not interfere with business as usual
- Robust audit trail to support future scheme transactions



Data in

Feasibility paper to help set scope: equalise, convert & simplify; or equalise only

Agree method and obtain data

Data analysis, verification and input

GMP equalisation or conversion

Detailed audit report documenting the process and outcome

If feasible, convert all GMP to be in line with other Scheme benefits

GMP Equalisation Uplift

NRA 65

NRA 60

GMP

Non GMP

Pre-conversion
(Equalised Benefit)



Single tranche of pension

Post conversion
(Equalised and Converted)

Data out

Provide equalised output to administrators

Back-payments calculated

Revised scheme benefits

Why choose Barnett Waddingham

Credentials

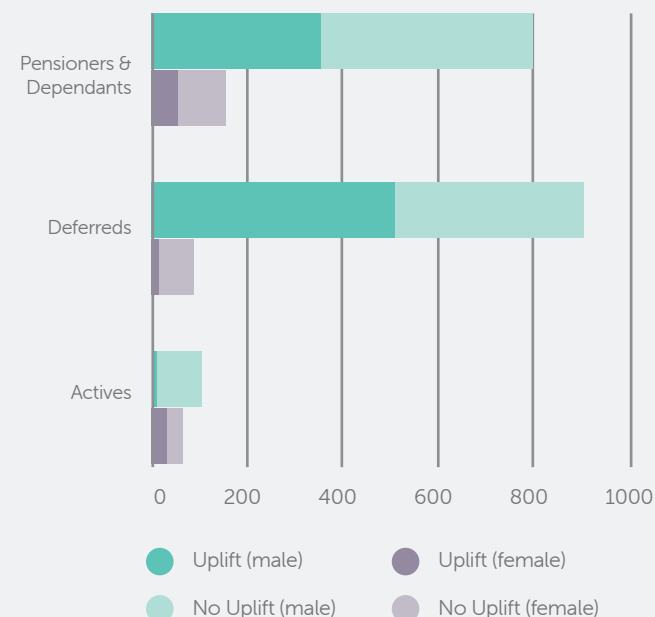
- Specialist GMP equalisation unit to carry out GMP equalisation and conversion using our proprietary GMP equalisation systems.
- Experience of completing GMP equalisation for over 100 schemes including advising insurance companies and high profile cases such as HMV and BHS.
- Systems tried and tested and updated to allow for the Lloyds judgement.
- Project plan to keep the equalisation (and conversion) project on track.
- We took a leading role in the PPF's GMP equalisation pilot to develop their methodology and were integral in preparation of their industry standard equalisation report.
- We carry out key big data analysis and transformation projects, including cashflow generation work for a large insurer where, in less than 12 months we have dealt with a combined membership of over 575,000.

Case Study

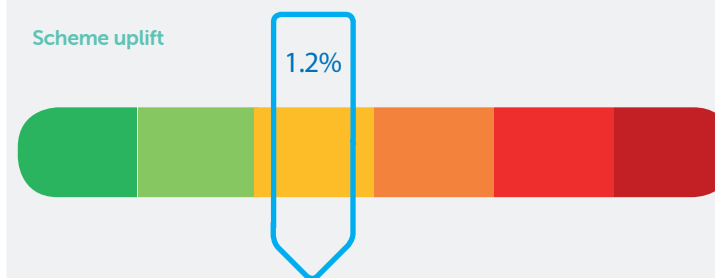
- **In 2018 our GMP Equalisation specialists successfully completed the GMP equalisation calculations for the BHS2 Pension Scheme, an 8,000 member pension scheme, within an ambitious four week timescale.**
- Throughout the project, our team faced several challenges. The benefit structure of the scheme, along with issues relating to the availability of data, increased the complexity of the calculations. These complexities were magnified due to the size of the scheme; with 5,000 members, out of the 8,000 total, in scope of the exercise.
- The GMP equalisation exercise was completed as part of a buyout whereby scheme benefits were secured with an insurer. We proposed a value based methodology for carrying out the calculations and a "high-level principles" paper was shared with all stakeholders early in the project.
- Our team adopted a robust and pragmatic approach throughout the exercise, applying assumptions and approximations regarding historic pension increases and administration factors where this data was not readily available. Ultimately our approach was deemed robust, having been subject to legal review and scrutiny from the insurer.
- We successfully implemented the changes to members' records and benefits, allowing the buyout to proceed on schedule and members receiving the level of benefits promised.

SAMPLE OUTPUTS FROM OUR GMP EQUALISATION SYSTEMS

Number of members with and without uplifts



Scheme uplift



The additional liabilities created by GMP equalisation is £3.6m, which corresponds with a 1.2% increase in liabilities.